

Date: December 8, 2007

To: Hampton Board of Selectmen cc: Fred Welch; Budget Committee

From: Mike Schwotzer

Subject: November '07 Income / Expense Statements / Revolvers

Attached is a copy of the Income and Expense Statements for the month ending November 30, 2007. The first three pages detail the income; the next page (numbered 16 of 16) is the summary by department; the next page is entitled: "Calculation ... YE Savings" and shows how I calculate the estimated year end spending level; the next fifteen pages (numbered 1, 2, ... 15 of 16) are the expenses by line item; then the remainder is the revolving accounts (Rec.; Cable; Detail; and EMS). The 2007 budget column uses the default budget as adjusted by the BoS.

Since that haven't been any major changes in this month's reports, these comments will be similar to October's i.e.: in an abbreviated fashion.

Notable items:

- I still believe that total Income for the year will be 98–99% of the budgeted level. If you add to the current YTD total (\$4,808.2k) the second State Shared Revenues payment (\$59k), Rooms & Meals at budget (\$554.5k), the last payment for the NH Highway Block Grant (\$80.3k), one more "average" month of Motor Vehicle Fees (\$225k), plus the budgeted payment from the Trust Funds (\$545k), you will end the year around \$6.27M vs. a budget of \$6.37M. This does not take into account any of the other departmental sources that will continue through the last month of the year.
- The Expense summary (marked 16 of 16) shows the year to date expenses by department. At the end of November, the operating departments (without Debt Service) were 3.9% or \$837k (annualized) below budget. The effect of money spent on "Grants" (the majority being FEMA money) has been removed from the calculations. I believe that the year end will be closer to last month's level of estimated year end departmental savings (in the 3% area). I will be continually monitoring this during the final weeks of the year. Especial attention will be paid to the level of POs approved and issued during December. A short analysis of open POs by date has been added to the "Savings" report.
- On pages 1 through 15, the majority of the departments are below the 92% level and don't have any major issues. A few sub-

departments “appear” to be over budget due to the booking of the Grant and April Storm costs. At year end, the auditors will “increase” the budget in an amount equal to the money received from grant agencies which cover these expenditures.

- On page 2 of 16, the Tax Collector’s supplies line will be adjusted downwards in December for \$11+k when I re-class next years computer maintenance bill from a current to a pre-paid expense (which will be reversed in January).
- In November, an additional \$0.9M in TANs was borrowed for a total of \$2.9M in the second half of the year. Then, tax revenues start to be collected and \$2.3M were paid off. The remaining \$600k of TANs plus accompanying interest expense (\$7.9k) will be paid in the first part of December.
- On page 15 of 16, at the bottom, \$394k of the 2006 encumbered POs still remains open. Of this, open Warrant Article account for \$325k, \$48k for engineering (non-FEMA covered expenses), \$0k in the PD, \$14k in Planning, and the last \$6k in PW. The \$48k for engineering will probably be presented to the BoS for consideration regarding carryover into 2008. The rest should be completed or will be liquidated by the end of the month.
- With regards to the revolving accounts (Funds 024 - 027), the income shown for the EMS fund (027) now reflects ten months vs. eleven months of expenses. Comstar’s report (copy attached) runs a month behind on average. The billings have been brought up to date through a major effort ... filing all the reports that were delayed due to computer/communication issues.